and the state of t	Approved For Release 2001/05/11 CON RD678B04749A	9601400030013-0 97691304
Organiz	ation Contacted Customer	Distribution Marketing Dept.
Author	HRB Org. Unit 231	STATINTI
Contact	Date 12/2/66 Contact Means Pho	one Wisit
Person	ContactedPhone No	
Title/Po	osition/Rank /Room No./Unit Name/Symbol	
Rapport Impress	:PersonalProject/Proposal No	STATINTL
Summar — ATINTL	The copies of the light table specification made on each paragraph were given to them for points covered which were often a history of the main points made by the Customer were:	or review. Also discussed the
	1) Submit our factual comments on the speople make the judgement.	
	2) The Customer plans to comment on the paragraphs in the specification in which our design did not meet the values such as size and shade movement	
	3) Many of their comments to our deviations and changes were designers choice; information and experience that someone in the field should have known; or requirements were implied.	
	4) We should be sure we did not discuss is part of the contract. (Our comme	ents covered only their specification)
	I told the Customer at the request of our the specification to determine:	c contracts department, we reviewed

1) If we did work that was not covered in the specifications.

2) If we changed the specification or modified the design requirements as the project progressed to show this was an R&D development on which (COI

Action Required and By Whom:

DECLASS REVIEW BY NIMA / DoD

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Customer (Cont'd)

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both parties were learning what was required. This might be a case that a CPFF would have been a more reasonable contract, where so many factors were unknown.

3) In the initial contract negotiation the Customer state they would be responsible for all Human Factors considerations. Thus by their frequent review of our drawings and progress, they approved of our design, changes, and work progress. We went through the specification to point out the extra work that was performed in assisting or conducting the Human Factors portion of the work for which our bid did not include funds for:

Demonstrations
Breadboards
Conferences
Changes in the design and drawings
Rework of equipment
Improvements

Also our letter to Contracts would indicate that whill many of the changes taken singularly would not be considered financially significant, little changes are additive and cause others to change.

The specification was excellent at the time it was prepared but as one might expect on an R&D program, the original general and broad statements had to be defined. The technical people on both sides learned the technical details and limitations of the equipment. Many of the requirements had to be changed in order to be able to fabricate a practical device. These changes should have been accompanied by contract changes to reflect the increased work and change from building an equipment to an R&D equipment development program.

STATINTL

I said I would call back in a few days to see if they had any further reactions our statements and claims. Our purpose was to build a case upon which to prove justification for financial relief. wanted to continue to do R&D projects on PI equipment and there was no intent to cause unnecessary difficulty for technical people. We would prefer to limit our statements to those that did not involve the technical people at all but this was hard to do since their contracts indicated a change in the specifications must be proved. However, we would omit any comment which they felt was unfair or would result in no future R & D programs. Also since we do a lot of business with them and hope to continue to do so, we would probably not press for relief if in doing so we would affect future contract possibilities.

NOTES: 1) Table I Spec-they were trusting us on para 4.4

- 2) The Customer believes the 10 turn potintometer is still on Table 1. The single turn was cheaper so we should have saved money.
- 3) The handcrank strikes the carriage knob- thus the brake knob had to be moved.